cause during the difficult early years of the war. Our rulers seem to be sitting very carefully on the top of the fence, waiting to see which way the cat is going to jump. They have made brave state-ments about abrogating all treaties involving the most-favoured nation clause and about adopting the principle of Imperial preference; but when their eager followers press them to do something besides talking about what they are going to do, they then have a tendency to return to the domain of common-sense and to point out that it is above all desirable that our economic policy should be in unison with that of the United States.

Whatever may happen in the realm of trade and commercial policy, it would seem to be self-evident that with regard to capital it would be still more difficult and undesirable to impose restrictions than with regard to the entry of goods; and above all, *it* seems to be obvious that at any rate the free entry of capital into this country is a matter which should be specially encouraged when the war is over. At that difficult period we have to secure, if possible, that British industry shall be entirely unhampered in its endeavours to carry out the very puzzling operations involved by transferring its energies from war activities to peace production. However well the thing may be managed, it will be an exceed-ingly difficult and complicated operation. In certain

industries, especially in shipbuilding and engineering,
the building trade and all the allied enterprises,
those who are responsible for their efficient manage-
ment ought to be able to count upon a keen and